

CHAPTER VII.

BANKING IN

The Effect of Political and Economic Misfortunes— The Early Bankers and the Foundation of the Bank of Ireland — The Provincial Bank and Other Banks of Issue — The Collapse of the Agricultural and Tipperary Banks— The Act of 1845 and Present Conditions.

IRELAND has had almost as varied an experience in banking as in the political fortunes of her people and her banking history has been affected more or less unfavorably by the agitated condition of the country. The policy of England towards Ireland was distinctly selfish during the seventeenth and eighteenth centuries. Irish agriculture was crushed by the importation of bounty-paid wheat from England and Irish manufactures were stifled by countervailing duties intended to prevent their competition with English goods.¹ The linen trade was almost the only one which was allowed some degree of prosperity, upon the theory that it was better for England to draw her linen supply from a dependency than to pay foreign countries for it. This policy was changed from 1782 to 1800, while Ireland had an independent parliament, for the policy of large bounties and protective duties, and for a brief period Irish industry started forward by leaps and bounds under this artificial stimulus. But the country soon felt the heavy cost of the bounty system and prosperity began to decline before the union with Great Britain. The economic history of Ireland then became a part of that of England, and a reasonable degree of progress was made up to the time of

¹ Cunningham, II., 298, 523.